

COVINGTON & BURLING

1201 PENNSYLVANIA AVENUE NW
WASHINGTON, DC 20004-2401
TEL 202.662.6000
FAX 202.662.6291
WWW.COV.COM

WASHINGTON
NEW YORK
SAN FRANCISCO
LONDON
BRUSSELS

November 17, 2005

VIA ELECTRONIC FILING

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re: *Implementation of Section 304 of the Telecommunications Act of 1996;*
Commercial Availability of Navigation Devices, CS Docket No. 97-80
Ex Parte Notice

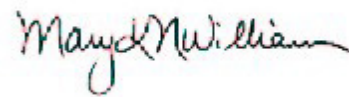
Dear Ms. Dortch:

This letter is submitted to notify you that on November 16, 2005, Joe Belfiore (by telephone), Andy Moss, Tony Faustini, and Paula Boyd of Microsoft, and the undersigned, and Mark Coblitz of Comcast Corporation, Mike LaJoie and Tim Dodd of Time Warner Cable, Neal Goldberg of the National Cable & Telecommunications Association, and Paul Glist of Cole, Raywid, & Braverman, met with Rick Chessen, John Gabrysch, Alison Greenwald, Tom Horan, William Johnson, Deborah Klein, Mike Lance, Sarah Mahmood, Jeffrey Neumann, Natalie Roisman, and John Wong of the Media Bureau, and Alan Stillwell of the Office of Engineering and Technology.

The meeting was held to discuss with the FCC staff an agreement reached between Microsoft and CableLabs that will allow Microsoft and PC manufacturers to bring to market digital-cable-ready Windows® Media Center-based PCs in the holiday 2006 time frame. A copy of the press release announcing the agreement is attached.

Please address any questions to the undersigned.

Respectfully submitted,



Mary Newcomer Williams
Counsel to Microsoft Corp.

COVINGTON & BURLING

Ms. Marlene H. Dortch

November 17, 2005

Page 2

Attachment

cc: Rick Chessen
John Gabrysch
Alison Greenwald
Tom Horan
William Johnson
Deborah Klein
Mike Lance
Sarah Mahmood
Jeffrey Neumann
Natalie Roisman
John Wong
Alan Stillwell

**For Release 8 a.m. PST
Nov. 16, 2005**

**Microsoft and CableLabs Announce Agreement to Enable High-Definition
Digital Cable Programming on Windows-Based PCs**

*Future versions of Media Center PCs to receive digital cable programming without the need for
a cable set-top box.*

REDMOND, Wash., and LOUISVILLE, Colo. — Nov. 16, 2005 — Microsoft Corp. and Cable Television Laboratories Inc. (CableLabs®) today announced they have reached an agreement that will allow Microsoft and PC manufacturers to bring to market digital-cable-ready Windows® Media Center-based PCs in the holiday 2006 time frame.

These Media Center PCs, capable of supporting a CableCARD™ module, will allow consumers to enjoy one-way cable programming, including premium high-definition cable content, on their personal computer and throughout the home on compliant network-connected devices, such as Xbox 360™, while protecting cable operators' investments in high-value content in a digital environment. Microsoft is working closely with CableLabs to document final approval of Windows Media® Digital Rights Management (DRM) as a content protection technology for OpenCable™ products that receive one-way cable content under the terms of this agreement.

“This agreement is an important milestone for our customers who want access to high-definition digital cable content on their PCs and a major step toward enabling a solution for the delivery of that content,” said Joe Belfiore, corporate vice president of the Windows eHome Division at Microsoft.

“The cable industry is very interested in having the PC serve as another means to allow consumers to enjoy cable programming,” said Richard R. Green, president and CEO of CableLabs. “By working with Microsoft and the IT industry, we have come up with a solution to enable consumers to enjoy the wide range of entertainment options they want.”

“This agreement carefully balances the need to preserve the flexibility of the personal computer for consumers with the need for cable operators to be confident that the hardware and software shipped with compliant Media Center PCs will function like a CableCARD-enabled digital television,” said Glenn Britt, chairman of CableLabs and chairman and CEO of Time Warner Cable.

The agreement is the culmination of more than two years of extensive evaluation and technical reviews performed by the two entities under the CableLabs OpenCable process to develop specifications and test suites for the new solution.

The specified OpenCable architecture allows for multiple DRM systems to be used in the device and ensures content providers of protected delivery of content to the PC. Microsoft® Windows Media Digital Rights Management is the first major DRM system to complete the due diligence necessary for approval by CableLabs.

The OpenCable project will continue to play an important role as the new agreement moves forward, allowing the cable industry to work closely with the consumer electronics and IT industries to innovate rapidly on the new specifications developed by Microsoft and CableLabs.

CableLabs will host interoperability events to enable vendors working on products based on these specifications to test products in CableLabs facilities and conduct more formalized certification testing. More information about the OpenCable project is available at <http://www.opencable.com>.

Media Center PCs deliver advanced computing and easy-to-use integrated digital entertainment experiences. To date, Microsoft has sold more than 4 million Windows XP Media Center Edition licenses, and more than 130 PC manufacturers are offering Media Center PCs around the world. The cable industry supports more than 370 models of digital televisions manufactured by 22 companies that display one-way cable content via CableCARDS.

About CableLabs

Founded in 1988 by members of the cable television industry, Cable Television Laboratories Inc. (CableLabs) is a non-profit research and development consortium that is dedicated to pursuing new cable telecommunications technologies and to helping its cable operator members integrate those technical advancements into their business objectives.

About Microsoft

Founded in 1975, Microsoft (Nasdaq “MSFT”) is the worldwide leader in software, services and solutions that help people and businesses realize their full potential.

#####

Microsoft, Windows, Xbox 360 and Windows Media are either registered trademarks or trademarks of Microsoft Corp. in the United States and/or other countries.

CableLabs, CableCARD and OpenCable are trademarks of Cable Television Laboratories Inc.

The names of actual companies and products mentioned herein may be the trademarks of their respective owners.

For more information, press only:

Rapid Response Team, Waggener Edstrom Worldwide, (503) 443-7070,
rrt@WaggenerEdstrom.com

Mike Schwartz, CableLabs, (303) 661-9100, m.schwartz@cablelabs.com

Note to editors: If you are interested in viewing additional information on Microsoft, please visit the Microsoft Web page at <http://www.microsoft.com/presspass> on Microsoft’s corporate information pages. Web links, telephone numbers and titles were correct at time of publication, but may since have changed. For additional assistance, journalists and analysts may contact Microsoft’s Rapid Response Team or other appropriate contacts listed at <http://www.microsoft.com/presspass/contactpr.msp>.